

Table D.

AAAS - Projected Effects of President's FY 1997 Budget Outyear Projections on Nondefense R+D

**Table D. Projected Effects of President's FY 1997 Budget Outyear Projections on Nondefense R&D (5 pages)**

(all figures in millions of dollars budget authority)

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The President's FY 1997 Budget sets out a plan to balance the federal budget by fiscal year 2002. Included in the budget are detailed outyear projections by budget account up to 2000, and preliminary projections for 2001 and 2002 that are contingent on the economy performing according to Administration projections up to FY 2000 and Congressional Budget Office (CBO) certification later this spring. The President's budget balances according to OMB forecasts, but it DOES NOT BALANCE according to current (12/95) CBO forecasts. This table calculates the effect of the President's detailed proposals for discretionary spending on nondefense R&D. The methodology used in this analysis is identical to the July 1995 AAAS analysis *Projected Effects of Congressional Budget Resolution on Nondefense R&D*. FY 1995 R&D figures are before rescissions enacted in 1995. FY 1996 and 1997 figures represent the latest AAAS estimates of R&D. FY 1998-2000 figures are estimates based on the outyear budget account projections. FY 2001 and 2002 totals are based on the optimistic set of discretionary spending projections. The FY 2001 and 2002 numbers will be adjusted downward if, as expected, CBO determines in spring 1996 that the optimistic set of projections will not lead to a balanced budget. The totals for budget accounts in the President's budget are not binding.

Agency/Program	KEY	R&D** FY 1995 original	R&D FY 1996 est.	R&D FY 1997 request	R&D FY 1998 est.	R&D FY 1999 est.	R&D FY 2000 est.	R&D FY 2001 est. ****	R&D FY 2002 est. ****	R&D*** FY 2002 constant \$	constant \$ difference 1995-2002
NIH	1	10,840	11,443	11,901	11,901	11,901	11,901	12,233	12,575	10,809	-0.3%
Agcy. Health Care Policy	1	139	62	84	77	70	63	72	82	70	-49.1%
CDC	1,13	217	331	361	327	298	268	306	349	300	38.1%
FDA	1	206	170	170	156	142	128	146	167	143	-30.5%
Other HHS R&D	2	187	79	115	115	115	115	115	115	98	-47.3%
<b>Total HHS R&amp;D</b>		<b>11,589</b>	<b>12,085</b>	<b>12,630</b>	<b>12,576</b>	<b>12,525</b>	<b>12,474</b>	<b>12,872</b>	<b>13,287</b>	<b>11,421</b>	<b>-1.4%</b>
NASA Human Space Flt	1	1,902	1,876	1,817	1,722	1,623	1,523	1,666	1,828	1,571	-17.4%
NASA SAT Space R&D	1	5,072	4,969	4,975	4,787	4,592	4,394	4,757	5,163	4,438	-12.5%
NASA Mission Support	1	1,619	1,612	1,679	1,545	1,406	1,265	1,442	1,644	1,413	-12.8%
NASA SAT Aeronautics	1	882	877	887	855	823	790	845	907	780	-11.6%
NASA Wind Tunnels	3	400	0	0	0	0	0	0	0	0	-100.0%
NASA Allowance	1	0	0	342	0	0	0	0	0	0	- -
<b>Total NASA R&amp;D</b>		<b>9,875</b>	<b>9,333</b>	<b>9,700</b>	<b>8,908</b>	<b>8,443</b>	<b>7,972</b>	<b>8,711</b>	<b>9,541</b>	<b>8,201</b>	<b>-16.9%</b>
General Science (Physics)	1	974	972	998	918	835	751	857	977	840	-13.8%
Energy Supply R&D	1	2,210	1,811	1,935	1,859	1,781	1,700	1,850	2,018	1,735	-21.5%
Fossil Energy R&D	1	350	333	271	249	227	204	233	266	228	-34.8%
Energy Conservation R&D	1	396	330	445	458	470	484	497	511	440	11.1%
Clean Coal Technology	1	37	150	0	313	0	0	0	0	0	-100.0%
Uranium Enrichment	1	3	3	1	1	1	1	1	1	1	-70.4%
DOE allowance	1	0	0	216	0	0	0	0	0	0	- -
<b>Total DOE nondef R&amp;D</b>		<b>3,969</b>	<b>3,598</b>	<b>3,866</b>	<b>3,798</b>	<b>3,314</b>	<b>3,141</b>	<b>3,439</b>	<b>3,773</b>	<b>3,243</b>	<b>-18.3%</b>

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Agency/Program	KEY	R&D** FY 1995 original	R&D FY 1996 est.	R&D FY 1997 request	R&D FY 1998 est.	R&D FY 1999 est.	R&D FY 2000 est.	R&D FY 2001 est.****	R&D FY 2002 est.****	R&D*** FY 2002 constant \$	constant \$ difference 1995-2002
Res. & Related Activities	1	2,061	2,098	2,289	2,295	2,301	2,307	2,371	2,438	2,096	1.7%
Academic Research Infra.	1	250	100	0	0	0	0	0	0	0	-100.0%
Major Res. Equipment	1	126	70	95	95	95	95	98	100	86	-31.8%
R&D in Edu. and Hum. Res.	1	107	93	95	95	95	95	98	100	86	-19.4%
<b>Total NSF R&amp;D</b>		<b>2,544</b>	<b>2,361</b>	<b>2,479</b>	<b>2,485</b>	<b>2,491</b>	<b>2,497</b>	<b>2,567</b>	<b>2,639</b>	<b>2,268</b>	<b>-10.8%</b>
Agri Research Serv.	1	752	702	766	707	646	585	663	752	647	-14.1%
CSREES	1	489	452	403	372	339	305	348	394	339	-30.7%
Economics Research Serv.	1	54	53	55	51	46	42	47	54	46	-13.2%
Natl Agric. Stats Service	2	4	4	4	4	4	4	4	4	3	-4.5%
Foreign Agricultural Serv	2	1	1	1	1	1	1	1	1	1	-24.3%
Forest Service	1	204	181	183	171	160	147	164	182	156	-23.3%
Other USDA R&D	4	36	32	32	32	32	32	32	32	27	-23.3%
<b>Total USDA R&amp;D</b>		<b>1,540</b>	<b>1,425</b>	<b>1,444</b>	<b>1,337</b>	<b>1,228</b>	<b>1,116</b>	<b>1,258</b>	<b>1,420</b>	<b>1,220</b>	<b>-20.7%</b>
USGS (incl NBS)	1	535	516	531	498	464	431	477	529	455	-15.0%
Bureau of Mines	5	103	56	0	0	0	0	0	0	0	-100.0%
Nat'l Park Service	4	19	12	12	12	12	12	12	12	10	-45.7%
Other Interior R&D	4	30	38	37	37	37	37	37	37	32	7.1%
<b>Total Interior R&amp;D</b>		<b>686</b>	<b>622</b>	<b>580</b>	<b>547</b>	<b>513</b>	<b>480</b>	<b>526</b>	<b>578</b>	<b>497</b>	<b>-27.6%</b>
FHWA (Highway Admin)	4	277	256	306	306	306	306	306	306	263	-4.9%
Federal Transit Admin.	1	21	16	15	13	12	11	13	14	12	-39.8%
Maritime Admin.	4	3	0	2	2	2	2	2	2	2	-36.3%
Federal Railroad Admin.	6	28	30	28	25	23	21	23	27	23	-17.6%
Federal Aviation Admin.	7	292	233	241	225	209	193	213	237	204	-30.2%
Other Transportation R&D	4	68	66	80	80	80	80	80	80	68	1.2%
<b>Total DOT R&amp;D</b>		<b>687</b>	<b>602</b>	<b>671</b>	<b>651</b>	<b>632</b>	<b>612</b>	<b>637</b>	<b>666</b>	<b>572</b>	<b>-16.7%</b>
NOAA R&D Facils.	4	38	11	9	9	9	9	9	9	7	-80.5%
NOAA Operations, Res & Facils R&D	1	531	508	542	577	579	574	571	581	500	-5.8%
Other NOAA R&D	8	19	17	17	15	15	15	15	15	13	-30.7%
NIST Sci & Technical Res Service	1	214	208	218	218	218	218	225	230	198	-7.5%

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Agency/Program	KEY	R&D** FY 1995 original	R&D FY 1996 est.	R&D FY 1997 request	R&D FY 1998 est.	R&D FY 1999 est.	R&D FY 2000 est.	R&D FY 2001 est.****	R&D FY 2002 est.****	R&D*** FY 2002 constant \$	constant \$ difference 1995-2002
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NIST ATP	1	409	245	324	331	338	345	355	365	314	-23.2%
NIST Construction	1	63	-15	105	97	88	79	90	103	89	40.8%
Econ. Develop. Admin.	4	1	1	2	2	2	2	2	2	1	157.9%
Other Commerce R&D	4	10	11	11	11	11	11	11	11	9	-8.8%
<b>Total Commerce R&amp;D</b>		<b>1,284</b>	<b>985</b>	<b>1,226</b>	<b>1,259</b>	<b>1,259</b>	<b>1,252</b>	<b>1,277</b>	<b>1,316</b>	<b>1,131</b>	<b>-11.9%</b>
<b>Total EPA R&amp;D</b>	<b>11</b>	<b>619</b>	<b>528</b>	<b>628</b>	<b>646</b>	<b>665</b>	<b>683</b>	<b>702</b>	<b>721</b>	<b>620</b>	<b>0.1%</b>
Total Education R&D	4	175	137	182	182	182	182	182	182	156	-10.5%
Total AID R&D	12	314	175	181	173	164	155	168	183	158	-49.8%
Total Veterans R&D	1	297	266	267	245	223	202	230	262	225	-24.2%
Total NRC R&D	1	82	59	59	59	59	59	59	59	51	-38.2%
Total Smithsonian R&D	1	135	135	147	135	123	111	126	144	124	-8.3%
Total TVA R&D	1	89	65	77	68	62	56	64	73	62	-29.7%
Total Corps R&D	9	55	46	45	42	38	34	39	44	38	-30.8%
Total Labor R&D	4	62	34	38	38	38	38	38	38	33	-47.1%
Total HUD R&D	1	41	34	48	44	41	36	42	47	40	-0.4%
Total Other R&D	10	124	109	135	135	135	135	135	135	116	-6.2%
<b>TOTAL NONDEFENSE R&amp;D *</b>		<b>34,164</b>	<b>32,600</b>	<b>34,402</b>	<b>33,329</b>	<b>32,134</b>	<b>31,236</b>	<b>33,068</b>	<b>35,107</b>	<b>30,177</b>	<b>-11.7%</b>

Data from *Budget of the United States Government for Fiscal Year 1997*(CD-ROM)

Public Budget Database table "Budget Authority and offsetting receipts, 1976-2002"

\* - Does not include Treasury, Int'l Security Assistance and other programs that did not report R&amp;D in the FY 1996 budget.

\*\* - Source: AAAS Report XX: *Research and Development FY 1996*. This analysis uses FY 1995 original as the baseline to reflect the seven-year timetable for balancing the budget and to reflect the R&D budget before FY 1995 rescissions, which were the first step toward a balanced budget.\*\*\* - expressed in **FY 1995** dollars. Adjusted for inflation according to GDP deflators

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\*\*\*\* - The President's budget contains a "trigger" after FY 2000 to ensure a balanced budget under CBO economic assumptions. The additional discretionary spending for FY 2001 and 2002 assumed in the above table will only be released if the economy performs according to OMB projections up to FY 2000. In addition, the additional discretionary spending depends on CBO certification in spring 1996 that the budget will reach balance. If CBO projects a deficit in FY 2002, then discretionary spending for these years will be reduced by the amount necessary to eliminate the deficit. **Under CBO's latest (12/95) projections, the above budget scenario would produce a deficit in FY 2002 of about \$65 billion.** If allocated proportionally to all discretionary spending, eliminating this deficit would require cuts of greater than 10 percent to all the budget accounts above in FY 2002.

KEY OF ASSUMPTIONS:

- 1 = Based on specific outyear projection for account in Public Budget Database, assuming R&D as percent of account remains constant at the FY 1997 ratio.
- 2 = Not specifically mentioned in outyear projections; assumes freeze at FY 1997 level; Social Security Administration included.
- 3 = \$400 million in original BA for FY 1995; later reallocated to SAT as \$35 million for FY 95 and \$365 million for FY 98.
- 4 = Not specifically mentioned in outyear projections; assumes freeze at FY 1997 level.
- 5 = Program eliminated
- 6 = Based on outyear projections for Railroad R&D and Next Generation High-Speed Rail account, assuming R&D as percent of combined accounts remains constant at FY 1997 ratio.
- 7 = Based on specific outyear projection for Research, Engineering and development account; assumes other FAA R&D stays constant at FY 1997 level.
- 8 = R&D in Fleet Modernization and Promote and Develop Fisheries; assumes R&D as percent of combined accounts remains constant at FY 1997 ratio.
- 9 = R&D in Oil spill research; general expenses; O&M; general investigations; assumes R&D as percent of combined accounts remains constant at FY 1997 ratio.
- 10 = Justice and USPS R&D frozen at FY 1997 levels.
- 11 = EPA R&D projections based on outyear projections for EPA Science and Technology account.
- 12 = Based on outyear projections for Sustainable Development Assistance and Development Fund for Africa, assuming R&D as percent of these accounts remains constant at FY 1997 ratio.
- 13 = CDC revised its classification of its R&D programs in FY 1996, leading to an increased R&D total after FY 1996.

	1995**	1996	1997	1998	1999	2000	2001****	2002****
<b>Nondefense R&amp;D in FY 1995 \$</b>	<b>34,164</b>	<b>31,962</b>	<b>33,003</b>	<b>31,283</b>	<b>29,485</b>	<b>28,044</b>	<b>29,049</b>	<b>30,177</b>
annual % change in constant \$ from previous year		-6.4%	3.3%	-5.2%	-5.7%	-4.9%	3.6%	3.9%

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	1995**	1996	1997	1998	1999	2000	2001****	2002****	1995-2002
Deflators	1.2879	1.3136	1.3425	1.3721	1.4036	1.4345	1.4661	1.4983	1.1634
deflators from OMB, <i>Budget of the United States Government FY 1997</i> Historical Tables 10.1									
annual projected inflation									
(change from previous year)		2.0%	2.2%	2.2%	2.3%	2.2%	2.2%	2.2%	

**Summary of Nondefense R&D to Fiscal Year 2000**

In the President's budget, discretionary spending and nondefense R&D would decline until FY 2000 before a possible upturn in FY 2001 and 2002. The summary below shows the percentage change after adjusting for inflation between the original FY 1995 and projected **FY 2000** funding levels rather than the FY 2002 in the full table.

The President's budget balances according to OMB economic projections but DOES NOT balance according to the latest (12/95) CBO projections. Under an alternate Presidential budget plan that does balance according to CBO's December 1995 economic projections, discretionary outlays would be the same as the OMB-certified budget until FY 2000 but then discretionary spending would continue to decline even after the other budget's low point of FY 2000.

The President is committed to adjusting discretionary spending by whatever amount is necessary to bring his budget balance according to CBO's forthcoming spring 1996 economic projections.

Agency	R&D** FY 1995 <b>original</b>	R&D FY 1997 request	R&D FY 2000 est.	R&D FY 2000 constant \$	constant \$ difference 1995-2000
HHS R&D	11,589	12,630	12,474	11,200	-3.4%
NASA R&D	9,875	9,700	7,972	7,157	-27.5%
DOE nondefense R&D	3,969	3,866	3,141	2,820	-28.9%
NSF R&D	2,544	2,479	2,497	2,242	-11.9%
USDA R&D	1,540	1,444	1,116	1,002	-34.9%
Interior R&D	686	580	480	431	-37.2%
DOT R&D	687	671	612	550	-20.0%
Commerce R&D	1,284	1,226	1,252	1,124	-12.4%
EPA R&D	619	628	683	613	-1.0%
Other R&D	1,372	1,179	1,008	905	-34.0%
<b>Total Nondefense R&amp;D*</b>	<b>34,164</b>	<b>34,402</b>	<b>31,236</b>	<b>28,044</b>	<b>-17.9%</b>